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Poultry Programs

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New Strain of Bird Flu

On April 7, 1999, the Hong Kong Department of Health announced that its Virus Unit recently had isolated a new strain of influenza A virus (H9N2) from two patients. This was the first time that the H9N2 virus, an avian influenza virus, had been isolated from humans in Hong Kong.

The retail market for live chickens dropped over 70 percent on April 8, the day after the bird flu news was released to the public. Hong Kong imports around 80,000 to 100,000 chickens from China every day. The wholesale price dropped 30 percent and the wholesale volume fell 30 percent. About 20,000 chickens were unsold in the wholesale market.

The bird flu incident in 1998 resulted in centralized slaughtering of ducks and geese. However, the slaughter of chickens is still allowed in various retail outlets due to the traditional diet habit of Chinese. Additionally, it would cause many people to lose jobs.

A centralized slaughter policy would benefit US poultry. When there are no live chickens available in the market, US poultry will become more competitive. At present, US poultry is disadvantaged because of the popularity of live chickens among local consumers, leaving US poultry totally absent from this niche market.

Source: USDA/Foreign Agricultural Service, Attache Report

Poultry Glut in European markets

Europe is in the midst of a poultry meat glut. Production has outpaced anticipated consumption increases while European Union production for 1998 grew by an estimated 2.5 percent last year, to 8.8 million metric tons. Of that, 6.1 million tons was chicken and the remainder was turkey. Chicken production increased by 2.2 percent and turkey output rose by 2.9 percent.

Demand only grew by 4 percent, far below the 12 percent producers had anticipated. Adding to the problem, France's poultry export volume declined for the first time in 20 years, mostly because of the Russian economic situation. Consignments to Russia fell by 63 percent for the year. France also had a decline in sales of 7.8 percent within the EU. Ample supplies of pork are also pressuring poultry producers, and has fueled increasing competition, forcing prices down. Many of the major European players have been to cut back production.

Source: USAPEEC

1998-1999 JAPANESE FROZEN BROILER IMPORTS (IN TONS)

Month	United States	China	Brazil	Thailand	Total
1998					
January	8,398	14,328	6,066	8,744	37,536
To-Date	8,398	14,328	6,066	8,744	37,536
1999					
January	6,554	15,060	8,078	11,662	41,354
To-Date	6,554	15,060	8,078	11,662	41,354

Source: ALIC Monthly Statistics

More Poultry Processed in Germany

Total output from processing plants in Germany which slaughter more than 2000 birds/month amounted to 681,000t last year or 6% more than in 1997. Broiler production rose by 6% to 364,600t from 343,700t, while the output of turkeys and guinea fowl went up by 5.3% from 236,500t to 249,100t. However, hatchery figures for the year indicate that broiler chick placements rose by 3.1% last year, while the placements for January 1999 point to fewer broilers but more turkeys than a year earlier, a trend which the German statistical organization ZMP considers will continue.

Source: WATTNET Home Page/Agra Europe

Top Poultry Meat Processors in Europe

In 1998, Doux held its position as the leading poultry meat processor in Europe with a 7% market share from its plants in France, Germany and Spain. Another French company, Bourgoins held on to the number two spot with a 5% share. Further expansion in the UK by Grampian enabled this company to jump from seventh position to third with a 4% stake. Joint third was Italy's AIA. Hillsdown, with plants in the UK and the Netherlands, came next with a 3% share of the market. The remaining companies all claimed, in broad terms, a 2% market share. They were: Unicopa in France, Pingo/Sada (Nutreco) with plants in the Netherlands, Belgium and Spain, LDC (France), Lohmann-Wesjohann (Germany) and Storteboom Netherlands), according to the Dutch Product Boards.

Source: WATTNET Home Page/Dutch Product Boards

USDA Accepts Bids Under EEP for Frozen Poultry

The Export Enhancement Program (EEP) has accepted two bids from an exporter for frozen poultry to Middle East Countries. On April 8, an award of 300 mt of frozen poultry, to be delivered April 8-October 7, and on April 9 an award of 1,700 mt for delivery April 9-October 8, were awarded to American Manufacturing & Marketing Assn. The bonus was \$556 per mt. The Middle East Countries remaining EEP balance is 16,664 mt.

Source: USDA/Foreign Agricultural Service Press Releases

INSPECTED EGG PRODUCTS**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

	Week Ending April 10, 1999		Year-To-Date	
Type	1999	1998 /1	1999	1998
Liquid	402	614	3,736	3,536
Frozen	0	0	6	50
Dried	27	0	174	170
Total	429	614	3,916	3,756

U.S. Imports From Canada, in Pounds (Preliminary)

	Week Ending April 10, 1999		Year-To-Date	
Type	1999	1998 /1	1999	1998
Liquid	95	57	1,173	1,200
Frozen	3	0	85	99
Dried	0	0	10	13
Total	98	57	1,268	1,312

Inspected Shell Eggs

U.S. Exports To Canada, In 30-Dozen Cases (Preliminary)

	Week Ending April 10, 1999		Year-To-Date	
	1999	1998 /1	1999	1998
Jumbo	11	81	127	109
Extra Large	150	4,367	7,077	9,272
Large	2,132	2,494	24,820	22,541
Medium	825	2,439	12,176	13,884
Ungraded	10,910	7,710	72,199	40,087
Misc	0	720	900	1,710
Total	14,028	17,811	117,299	87,603

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 10-Apr-99
PRELIMINARY**U.S. FOWL SLAUGHTERED DOMESTICALLY (000'S)**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	2,098	1,318	3,416
LAST WEEK	2,271	1,345	3,616
SAME WEEK YR AGO	2,317	1,225	3,542
TO-DATE/1999	30,103	18,616	48,719
TO-DATE/1998	28,204	17,353	45,557

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	571	0	571
LAST WEEK	462	4	466
SAME WEEK YR AGO	463	0	463
TO-DATE/1999	6,887	114	7,001
TO-DATE/1998	7,671	112	7,783

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	2,669	1,318	3,987
LAST WEEK	2,733	1,349	4,082
SAME WEEK YR AGO	2,780	1,225	4,005
TO-DATE/1999	36,990	18,730	55,720
TO-DATE/1998	35,875	17,465	53,340

CENTRAL REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS.
April 16, 1999**CHICKEN PRICES**

	-----FROZEN-----		-----FRESH-----	
FAT	FOB	DELIVERED	FOB	DELIVERED
CONTENT	DOCK		DOCK	
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

0 pounds, this includes 0 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	-	-	14.00-15.00	11.00
WTD AVERAGE			14.20	11.00

142,800 pounds, this includes 0 pounds for export shipment.

15-20%

RANGE	10.00-17.75	-	7.50-13.00	12.00-12.50
WTD AVERAGE	17.05		9.86	12.36

1,827,800 pounds, this includes 440,000 pounds for export shipment.

20% OR MORE

RANGE	-	-	-	-
WTD AVERAGE				

0 pounds, this includes 0 pounds for export shipment.

* INCLUDES THE FOLLOWING STATES: AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS.
April 16, 1999**CHICKEN PRICES**

	-----FROZEN-----		-----FRESH-----	
FAT	FOB	DELIVERED	FOB	DELIVERED
CONTENT	DOCK		DOCK	
15% OR LESS				
RANGE	14.00-16.00	16.00	17.00	17.00
WTD AVERAGE	15.02	16.00	17.00	17.00

1,094,500 pounds, this includes 250,000 pounds for export shipment.

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	-	14.50	13.50	16.00
WTD AVERAGE		14.50	13.50	16.00

160,800 pounds, this includes 0 pounds for export shipment.

15-20%

RANGE	12.00	14.00	9.50-13.20	12.50-14.00
WTD AVERAGE	12.00	14.00	11.92	13.24

1,597,000 pounds, this includes 0 pounds for export shipment.

20% OR MORE

RANGE	-	-	-	-
WTD AVERAGE				

0 pounds, this includes 0 pounds for export shipment.

* INCLUDES THE FOLLOWING STATES: CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS

APRIL 16, 1999

Undertone and demand continuing to show some signs of improvement on mechanically separated turkey, however, offerings continue to be readily available. Thigh meat trade sentiment mixed with some indicating strength while others hear of people willing to negotiate, mostly steady. Fresh tom breast meat offerings available with instances of improved activity noted. Domestic bulk parts demand light to fair. For domestic: Grade A 8-10 lb. breasts (5 loads) 103, fresh destrapped tenderloins (1 load) 159 cents delivered. For export: Grade A 8-10 lb. breasts (1 load, -12 months) 95 cents delivered.

FRIDAY, APRIL 16, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS		W	16.25	208	16.17	312
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM	18.00		18.00	208	18.00	416
TAILS	17.50-20.00		18.13	208	18.63	304
MECHANICALLY SEPARATED 2/		W	13.33	240	13.33	240
THIGH MEAT - FROZEN	42.00-44.00		42.79	264	42.92	964

THURSDAY, APRIL 15, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		W	16.25	208
WINGS FULL-CUT - TOMS		R	24.00	30
WINGS, V-TYPE, TOM		W	18.00	208
TAILS		W	19.71	96
MECHANICALLY SEPARATED 2/		W	13.33	240
THIGH MEAT - FROZEN		W	42.36	448

WEDNESDAY, APRIL 14, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	16.25		16.25	208
WINGS FULL-CUT - TOMS		R	24.00	30
WINGS, V-TYPE, TOM	18.00		18.00	208
TAILS	16.50-22.00		19.71	96
MECHANICALLY SEPARATED 2/	13.00-15.00		13.33	240
THIGH MEAT - FROZEN	41.25-44.00		42.36	448

TUESDAY, APRIL 13, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		M	16.00	104
WINGS FULL-CUT - TOMS		R	24.00	30
WINGS, V-TYPE, TOM		F	18.50	728
TAILS		R	22.50	80
MECHANICALLY SEPARATED 2/		R	13.00	160
THIGH MEAT - FROZEN	44.50		44.50	104

MONDAY, APRIL 12, 1999**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	16.00		16.00	104
WINGS FULL-CUT - TOMS		R	24.00	30
WINGS, V-TYPE, TOM		F	18.50	728
TAILS		R	22.50	80
MECHANICALLY SEPARATED 2/		R	13.00	160
THIGH MEAT - FROZEN	43.00-44.00		43.73	148

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.